

AMENDED IN ASSEMBLY MAY 10, 2001

AMENDED IN ASSEMBLY APRIL 25, 2001

AMENDED IN ASSEMBLY APRIL 19, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 1350

Introduced by Assembly Member Canciamilla
(~~Coauthor: Assembly Member~~ (Coauthors: Assembly Members
***Cogdill and Pescetti*)**

February 23, 2001

An act relating to energy, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1350, as amended, Canciamilla. Natural gas: producers.

(1) The California Gas Policy Act requires the Public Utilities Commission, among other things, to encourage as a first priority the increased production of gas in this state, as specified. The act also makes it the policy of the state that natural gas produced in this state is not placed at an unfair economic disadvantage relative to gas from sources outside of the state as the result of any transportation tariffs or conditions of service.

This bill would state legislative findings and declarations regarding the need for increased natural gas production in California.

(2) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) California is one of the largest producers of oil and natural gas in the nation.

(b) Natural gas is a critical commodity necessary to electrical production, residential heating, commodity production, and industrial manufacturing.

(c) California has historically produced up to 25 percent of its total natural gas needs.

(d) It is in the long-term economic interest of the state to encourage and increase the amount of natural gas produced in California.

(e) A process should be established governing the timely connection in California of new standard wells, including those proposed for connection through an existing meter, and nonstandard wells to increase in-state natural gas production.

~~(f) Standard wells should be defined as wells that produce gas supplies that meet the minimum pipeline quality standards established by a gas corporation.~~

~~(g) Nonstandard wells should be defined as wells that produce gas that does not meet the minimum pipeline quality standards established by a gas corporation.~~

~~(h) An expedited arbitration process to oversee and resolve any disputes resulting from the implementation of the process governing timely connection of natural gas wells should be established.~~

(f) The Public Utilities Commission's dispute resolution process should be utilized to resolve any disputes resulting from the implementation of the process governing timely connection of natural gas wells.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure, at the earliest possible time, the sufficient availability of affordable natural gas necessary for electrical production, residential heating, commodity production, and

- 1 industrial manufacturing, it is necessary for this act to take effect
- 2 immediately.

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